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House of Representatives

The House met at 9:30 a.m. and was called to order by the Speaker pro tempore (Mr. SNOWBARGER).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,

March 31, 1998.

I hereby designate the Honorable VINCE SNOWBARGER to act as speaker pro tempore on this day.

NEWT GINGRICH,

Speaker of the House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 21, 1997, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to 5 minutes.

The Chair recognizes the gentleman from Florida (Mr. STEARNS) for 5 minutes.

FURTHER DEBATE IS NEEDED ON THE IMF

Mr. STEARNS. Mr. Speaker, I rise today to discuss attempted misappropriation of American taxpayers' money for the International Monetary Fund.

I applaud the efforts by our Speaker to create a second supplemental appropriations bill to handle this. This will give the House the ability to have a straight up or down vote on increasing our financial commitment to the IMF.

The U.S. now presently provides about 18 percent of the IMF funds, and

we are being asked to cough up another \$18 billion without a full debate on the House floor about the merits of such a proposal.

In a recent Wall Street Journal article, three outstanding experts on international finance gave their views on the International Monetary Fund. George Shultz, President Reagan's Secretary of State; William Simon, Presidents Nixon and Ford's Secretary of Treasury; and Walter Wriston, former Chairman of Citicorp and Citibank. They asked the question, who needs the IMF? They point out that President Clinton and the IMF have shifted into overdrive in their efforts to save the economies of Indonesia, the Philippines, South Korea and Thailand, or to be more accurate, to save the pocketbooks of international investors who can face a tide of defaults if these markets are not now shored up.

I welcome the support of these distinguished experts on this subject. The way I see it, the IMF places American taxpayers in the position of guaranteeing a return on investment to those who engage in these risky schemes. The likelihood of an IMF bailout removes the incentive for nations to not engage in bad economic policies or pursue unsound financial practices.

As these distinguished gentlemen note in this article, the IMF can lull nations into complacency by acting as the self-appointed lender of last resort, a function never contemplated by our Founding Fathers. The world has changed a great deal since the IMF was founded in 1944 to assist in global trade by supporting currency convertibility and providing needed financing to defend exchange rates.

The financial crisis in Asia results from decades of direct government regulation, the absence of foreign competition, and closed financial systems. By relying on heavy-handed bureaucracies managing every aspect of their economies, these nations are destroying themselves financially.

This observation was echoed in the Wall Street Journal article recently. "Asian nations are facing financial difficulties not because outside forces have imposed bad economic policies on them, but because they have imposed these policies on themselves."

According to Shultz, Simon and Wriston, "the Mexican people suffered a massive decline in their standard of living as a result of their crisis. As is typical when the IMF intervenes, the governments and the lenders are rescued, but not the people."

They conclude the following. "The IMF is ineffective, unnecessary and obsolete. We do not need another IMF. Once the Asian crisis is over, we should abolish the one we have."

Now the President is asking us to increase our quota to the IMF without a constructive debate on the merits of this proposal. In fact, there is clear evidence that the IMF has sufficient capital to withstand any immediate financial distress anywhere in the world. The IMF right now has close to \$50 billion in reserves and access to another \$25 billion through their general arrangements to borrow.

In addition, the IMF will receive nearly \$28 billion in loan repayments from other borrowing nations by the end of the year 2000.

If we add the more than \$100 billion being borrowed and repaid by Thailand, Indonesia, and South Korea, the IMF will basically have \$200 billion in its coffers, the same amount it had before the Asian crisis began.

Mr. Speaker, today I ask my colleagues, what is the rush of throwing more American taxpayer money at the IMF, when there is substantial capital already in place? It is for one reason only. The proponents of the IMF do not want to just replenish the IMF fund; they want to expand the breadth and scope of the IMF itself so that the IMF will play an even more dominating role in global finances.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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It is our responsibility in Congress to prevent this latest abuse of taxpayers' money and to defeat the proposal to increase the U.S. share of IMF money by \$18 billion.

SUPPLEMENTAL APPROPRIATIONS BILL

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentlewoman from California (Ms. ROYBAL-ALLARD) is recognized during morning hour debates for 2 minutes.

Ms. ROYBAL-ALLARD. Mr. Speaker, later today the Republican leadership will bring to the floor the supplemental appropriations bill. I regret that I must oppose this bill because the offsets included in this legislation are simply not acceptable.

It is unconscionable that badly needed funding to support our troops in Bosnia and Iraq, and disaster relief for States like California, which have sustained upwards of \$500 million in damages this winter, are unnecessarily being pitted against important programs which benefit the American people.

Despite the fact that more than 80 percent of the funds in this bill are for the Department of Defense, the Republican majority has not offset these costs by making one cut in defense spending. Instead, they have chosen to play partisan political games by making cuts in programs they know the administration and Democrats cannot support.

For example, Republicans have chosen to make cuts in education, the AmeriCorps Service Program, which gives disadvantaged youth a chance, and the Section 8 Program, which provides critically needed housing for our Nation's families, the elderly and the disabled.

The Republican leadership is sending this bill to the floor knowing it will be vetoed, and knowing that our troops and our communities will be left waiting for desperately needed relief.

Mr. Speaker, the American people deserve more. These funds should not be held up by political gamesmanship. I ask my Republican colleagues to put our troops and our communities first and to reconsider this ill-conceived tactic.

HEADING TOWARD A FAILED CENSUS IN 2000

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Florida (Mr. MILLER) is recognized during morning hour debates for 5 minutes.

Mr. MILLER of Florida. Mr. Speaker, I rise today to once again express my deep concern that we are headed towards a failed Census in 2000. Last week, the General Accounting Office

released a new report stating that the risk of a failed Census had increased since their last report in July. Census 2000 was already in their high-risk category, and now things have gotten worse. We are just 2 years away from Census day, and the risks are increasing.

Why are we headed towards a failed Census? For one very simple reason: The Clinton Administration has unilaterally designed the largest statistical experiment in U.S. history. And despite their sincerity, the Census Bureau just does not have the technical capability to pull it off.

The plan that they and their statistical experts developed is breathtaking in its complexity. I have a Ph.D. in marketing and statistics, and I must say, from an academic standpoint, it is an interesting theory.

But the Census is not a theory; it is a massive field operation, and the more complex you make it, the more the chance of failure.

Now, some in the media who have sided with the administration do not want to face reality. They have invested so much in this polling theory that they want to find some other reason why this Nation is headed towards a failed Census. So now they, with the help of my friends in the Democratic Party, have come up with a new reason: It is Congress' fault.

Of course, it is the administration's plan that is headed towards failure. The majority in Congress has been warning for almost 3 years now that the administration's plan cannot work, but that does not matter. The defenders of polling theory have to blame someone, so it is Congress.

Now, I am fair-minded, so at the first hearing last week of the new Census Subcommittee, we decided to ask the GAO some questions. We asked if Congress was responsible for the following problems that are leading towards a failed Census. We asked the following questions:

We asked if the Commerce Department's Inspector General finding that the decennial census software is not being developed in accordance with any well-defined process; and the answer was, Congress has nothing to do with it.

The Commerce Inspector General's finding that estimates of software development schedules and resources are not realistically for the dress rehearsal or the Census; the answer was Congress has nothing to do with it.

The Commerce Inspector General's conclusion that he questions the Bureau's ability to develop and implement complete accurate software for the Census; no congressional fault.

The Commerce Inspector General's reporting that the Bureau's matching and unduplication programs are so geographically restricted that they will virtually guarantee more errors; again, no congressional fault.

The fact that the ICM sample drawn by the Bureau mistakenly included commercial addresses which would have thrown it completely off; again, no congressional fault.

The vague and incomplete guidance provided by the Bureau to local governments that, according to GAO, hindered efforts to establish complete count committees; no congressional fault.

The Commerce Inspector General's finding that the Bureau is not giving itself enough time to follow up on households that do not respond in the first 2 weeks; no congressional fault.

The fact that the Bureau's plan forces nonresponsive follow-up to be completed in just 6 weeks, instead of a more realistic time frame given that it took 13 weeks last time we did a decennial Census; this is not Congress' fault.

The fact that the Bureau's plan for the ICM assumes it can contact five times as many people as it did in 1990, and do it in half the time, 13 weeks versus 28 weeks; that is not Congress' fault.

The fact that if the response rate in this short 13-week time frame for the ICM falls below 98 percent, the Census will become less accurate.

The Commerce Inspector General reporting that experimented field managers feel the ICM sampling plan is unrealistic and they are assuming a 98 percent response rate; this is not Congress' fault.

The incompatibility of the Census Bureau's plan to start the ICM before nonresponsive follow-up is complete with the findings of the Inspector General that "the integrity of the ICM hinges on the assumption that it is fully independent of nonresponsive follow-up;" again, this is not Congress' fault.

The strategy of hiring moonlighters as Census enumerators, that the GAO has described as questionable; this is not Congress' fault.

The high rate of duplicative or non-existing households on the address lists; that is not Congress' fault.

The problem with accuracy and completeness of the address list and matches provided to the localities by the Census Bureau; it is not Congress' fault.

The lack of information and resources provided by the Bureau to local communities that wish to review the address list; again, not Congress' fault.

The Bureau's failure to complete and present a comprehensive design review in January 1998, as promised, to the Inspector General; that is not Congress' fault.

The answer to all these questions was the same. Congress has nothing to do with the problems. These are specific design flaws in the Clinton Administration's unprecedented plan.

If you want to save the Census, simplify the design and go back to what you know works.